

**A Major Milestone for the City's Financial Health  
Council President Scott Peters, First District  
For the La Jolla Light, September 2006**

Last month, the City's Audit Committee presented its long-awaited findings to the City Council. The so-called "Kroll Report" was commissioned by the City Council last year, after our outside auditors demanded it before they could complete our overdue audits. While the Kroll report was extremely expensive and far from perfect, it gets us one step closer to resuming public projects, and it offers us a roadmap to the future. It also gives the City a once-in-a-lifetime chance to establish new rules and procedures, to create a set of "best practices" that can serve as a model for cities around the country.

On August 24, Mayor Sanders presented his comprehensive package of reforms to the City Council. Those include an independent auditor, new computer systems and internal controls, and series of oversight mechanisms which provide new checks and balances on the city's financial system.

When I was re-elected in 2004, my number one goal was to return the City to a solid financial footing. I reiterated that goal when I took office as Council President this year. I am committed to working closely with the mayor to make sure that a set of comprehensive reforms is enacted to protect the taxpayers and provide our elected leaders with the information and support they need to carry out their oversight duties.

The City Council will consider the mayor's reform agenda at special Council meeting on September 6 at 1:00pm. This Council has been consistently supportive of the audit committee and the completion of its report, despite the tremendous costs and political pressure to abandon the effort. I look forward to an open and productive dialogue among councilmembers, the city attorney and the public.

Some of the recommendations for reform have already been put into place by the City Council. Two years ago, we created the Disclosure Practices Working Group, which closely monitors the City's financial reports. Our new form of government has also created another set of checks and balances, through the Independent Budget Analyst and her professional staff.

I applaud Mayor Sanders and his staff for moving so quickly to begin this aggressive reform package into place. At the same time, Mayor Sanders and his team are working with our outside auditors to complete our overdue audits and restore the City's credit rating. According to the Mayor's estimates, the City should have its overdue audits completed by the first part of next year, which will allow us to once again make improvements to our parks, libraries, roads and water and wastewater systems.

It's important to remember that the City's problems weren't created overnight, and they won't be fixed overnight. This is an ongoing effort that will require patience, an open mind, and a willingness to compromise. I promise to listen to the views shared by the public and to work diligently on behalf of all taxpayers.